



City of San Antonio

Agenda Memorandum

File Number:18-2243

Agenda Item Number: 10.

Agenda Date: 4/5/2018

In Control: City Council A Session

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E.

COUNCIL DISTRICTS IMPACTED: Council District 9

SUBJECT:

Real Estate Acquisition: Declaration of public necessity for acquisition of real properties to construct and/or replace water main.

SUMMARY:

An ordinance, on behalf of San Antonio Water System (SAWS), authorizing the acquisition through negotiation or condemnation of interests in land sufficient for project purpose of approximately 20 permanent and temporary easements, of privately-owned real property and declaring the project to be public use project and a public necessity for the acquisition of real property interests related to the SAWS Central Water Integration Pipeline Project.

This public use project is necessary for delivery of water to integration points within the SAWS distribution system. Pursuant to enacted Texas Senate Bill 18 (SB 18), this item requires City Council to initiate a motion authorizing the use of power of eminent domain, should it be needed.

BACKGROUND INFORMATION:

SAWS entered into a Water Transmission and Purchase Agreement on November 4, 2014 (as subsequently amended) with Abengoa Vista Ridge LLC (now Vista Ridge LLC) to provide and deliver water supplies to SAWS through the Vista Ridge Regional Supply Project. The Central Water Integration Pipeline Project ("Project") will deliver water from the Vista Ridge Regional Supply Project to integration points within the SAWS distribution system.

This Project is in Council District 9 and includes the construction of a pump station at the Vista Ridge Terminus Site and upgrades to the Basin, Bitters, and Maltsberger Pump Stations. This Project also consists of Route A being approximately 3,200 feet of 36-inch water main from the Vista Ridge Terminus Site to Knights Cross Drive, Route B being approximately 10,300 feet of 54-inch water main from the Vista Ridge Terminus Site connecting to an existing 48-inch water main at Voigt Drive and Loop 1604, and Route C being approximately 2,000 feet of 48-inch water main from the Aspen Wells to the Bitters Pump Station. Construction is anticipated to start September 2018 and end April 2020. The estimated construction cost for this project, which includes the pump station at Vista Ridge Terminus Site; upgrades to the Basin, Bitters, and Maltsberger Pump Stations; as well as the new pipelines and all associated infrastructure is \$137,000,000 and is funded by the SAWS 2017 Capital Improvement Program.

This Project will require the acquisition of approximately 20 permanent and temporary easements located in NCB 19221, 17606, 17428, 15669, 16332, 16331, 16329, 12059, 19214, 17429, 17430, 12008 and CB 5833E (see Exhibits A-1, A-2, and A-3). The alignment traverses through a mixture of undeveloped properties, public right-of-way, and improved properties with schools, office buildings, hotels, apartments and various retail developments. This Project does not affect any buildings or structures located on the various subject properties and SAWS intends to use every effort to reduce the impact this Project will have on the various landowners within the alignment. While there will be no impact to buildings, tunneling will take place within property parking facilities. SAWS continues to work with the various property owners to determine agreeable project paths and construction schedules that reduce the project impact.

SAWS intends to use every effort available to obtain the required permanent land rights for the project through good faith negotiations, but may require eminent domain if the negotiations are not successful. The City of San Antonio has the authority and power to exercise eminent domain (condemning property) under Article I, Section 17 of the Texas Constitution and Texas Local Government Code. In order for SAWS to exercise its power of eminent domain, the City of San Antonio City Council must declare the project a public project.

ISSUE:

This ordinance, on behalf of SAWS, authorizes the acquisition through negotiation or condemnation, of interests in land sufficient for project purposes, of privately-owned real property and declares the project to be a public use project and a public necessity.

The Central Water Integration Pipeline Project is necessary for improvement of water infrastructure systems and will require the acquisition of approximately 20 permanent and temporary easements located in NCB 19221, 17606, 17428, 15669, 16332, 16331, 16329, 12059, 19214, 17429, 17430, 12008 and CB 5833E (see Exhibits A-1, A-2, and A-3). The project alignment traverses through a mixture of undeveloped properties and properties improved with schools, office buildings, hotels, apartments and various retail developments. The property acquisitions will be completed by SAWS. SAWS intends to use every effort available to obtain the required permanent land rights for said projects through good faith negotiations, but may require eminent domain if the negotiations are not successful. The City of San Antonio has the authority and power to exercise eminent domain (condemning property) under Article I, Section 17 of the Texas Constitution and Texas Local Government Code. In order for SAWS to exercise its power of eminent domain, the City of San Antonio City Council must declare the project a public project.

Approval of this ordinance is a continuation of City Council policy to determine and declare certain projects necessary for public purpose and public use, and authorize the acquisition of private property and through the SAWS Board of Trustees for the public projects by negotiation or condemnation.

ALTERNATIVES:

City Council could choose not to approve this request and require SAWS to redesign the Projects, increasing costs and resulting in the delay of the projects.

FISCAL IMPACT:

The passage of this ordinance will not have a financial impact on the City of San Antonio. Any condemnation costs including awards will be paid by SAWS. Costs are funded from SAWS FY 2016 Capital Improvement Program.

RECOMMENDATION:

The Central Water Integration Project was reviewed and approved by the San Antonio Water System Board of Trustees on September 13, 2017. Staff and SAWS recommend approval of the ordinances authorizing acquisition by negotiation or condemnation for the needed land interests for the project.